

**REDACTED VERSION
PURSUANT TO 35-A M.R.S.A. § 704(5)**

STATE OF MAINE
PUBLIC UTILITIES COMMISSION

Docket No. 2002-400

August 8, 2002

Appeal of Consumer Assistance Division Decision
#2002-13020 Regarding Eastern Maine Electric
Cooperative

ORDER

WELCH, Chairman; NUGENT and DIAMOND, Commissioners

I. SUMMARY

In this Order, we uphold the Consumer Assistance Division (CAD) decision of July 1, 2002 establishing a payment arrangement for Eastern Maine Electrical Cooperative (EMEC) customer **[Customer]**.

II. DISCUSSION

The facts of this case are described in CAD's decision of July 1, 2002 and are not in dispute. To briefly summarize, on June 5, 2002, CAD established a new payment arrangement for **[Customer]** requiring him to pay current charges and \$78 per month toward the past due amount (which was over \$1700 at that time). The first payment would be due on July 11, 2002. Both **[Customer]** and EMEC agreed with this arrangement.

On June 23, **[Customer]** contacted CAD and said he would be unable to keep the arrangement because his financial circumstances had changed. CAD reviewed those circumstances, his past payment arrangements, payment history and ability to pay and determined that the payment arrangement should be changed. CAD reinstated **[Customer's]** previous arrangement of \$227 per month or the current amount if any month's usage exceeds \$227.

On July 8, 2002, EMEC appealed the decision. EMEC argues that the June 5 arrangement of current charges and \$78 per month is more reasonable. EMEC also states that based on **[Customer's]** usage over the past twelve months that the arrangement of \$227 or current charges would result in only \$280 being paid toward **[Customer's]** current outstanding balance of \$1983.30. On July 8, **[Customer]** submitted a letter stating that he doesn't like the arrangement of \$227 or current charges because he is never sure what amount he will owe and that he would rather pay the current bill plus \$25 to \$30 per month.

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III. DECISION

[Customer] has had a number of arrangements in the past and has had difficulty keeping those arrangements. Although we appreciate that his financial circumstances may limit the amount he can pay each month, a utility is not required to carry large unpaid balance over many months or provide electricity without payment. [Customer] needs to take all possible actions to reduce his monthly bill to an amount that will be affordable, while staying current on that bill and paying toward reducing the large past due amount. The arrangement of \$227 or the current amount appears to be reasonable at this time, as required by Chapter 81 § 6(A). EMEC should also offer an energy audit to help [Customer] determine if there are ways to reduce his usage. The arrangement [Customer] proposes would not increase the certainty of his monthly payments. Therefore, we uphold the July 1 arrangement established by CAD.

To comply with this arrangement, [Customer] must make the \$227.00 or current payment with his August bill. Any arrearage that has accumulated on his account while this appeal has been pending will be added to his balance. If [Customer] fails to make any payment required under that arrangement within five days of the due date for the payment, EMEC is authorized to disconnect [Customer's] service¹. The first payment of \$227.00 or current is due on August 19, 2002. Subsequent payments will be due on the 19th of each following month. This means disconnection can occur without additional notice if payment is not received by the 24th day of each month.

In this decision we offer a payment arrangement – the greater of \$227 a month or actual usage – to a customer with a \$1,983 arrearage. At current consumption/payment rates (the record shows that the customer reduced his accumulated balance by \$280 last year), the customer's arrearage could take more than seven years to pay off. If the customer fails to complete the payment arrangement, the burden of the remaining balance will fall directly on other ratepayers in this consumer-owned utility.

The problem here is extraordinary consumption. This customer uses, on average, more than twice as much electricity each month as the average Maine household. The customer's 2001 annual consumption (measured August-to-August) rose 29% over his 2000 consumption. Some of this unusually high consumption may result from the customer's family size. Nevertheless, it would behoove the customer to carefully scrutinize and reduce his consumption and to seek whatever sources of bill-payment assistance may be available to him.

The assistance available should include LIHEAP (the Federally supported Low-Income Home Energy Assistance Program) and EMEC's low-income electricity program.

¹ During the winter period, November 15 to April 15, EMEC must adhere to the Commission's Winter Disconnection Rule, Chapter 81(17).

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Dated at Augusta, Maine, this 8th day of August, 2002.

BY ORDER OF THE COMMISSION

Dennis L. Keschl
Administrative Director

COMMISSIONERS VOTING FOR: Welch
 Nugent
 Diamond

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NOTICE OF RIGHTS TO REVIEW OR APPEAL

5 M.R.S.A. § 9061 requires the Public Utilities Commission to give each party to an adjudicatory proceeding written notice of the party's rights to review or appeal of its decision made at the conclusion of the adjudicatory proceeding. The methods of review or appeal of PUC decisions at the conclusion of an adjudicatory proceeding are as follows:

1. Reconsideration of the Commission's Order may be requested under Section 1004 of the Commission's Rules of Practice and Procedure (65-407 C.M.R.110) within 20 days of the date of the Order by filing a petition with the Commission stating the grounds upon which reconsideration is sought.
2. Appeal of a final decision of the Commission may be taken to the Law Court by filing, within **21 days** of the date of the Order, a Notice of Appeal with the Administrative Director of the Commission, pursuant to 35-A M.R.S.A. § 1320(1)-(4) and the Maine Rules of Appellate Procedure.
3. Additional court review of constitutional issues or issues involving the justness or reasonableness of rates may be had by the filing of an appeal with the Law Court, pursuant to 35-A M.R.S.A. § 1320(5).

Note: The attachment of this Notice to a document does not indicate the Commission's view that the particular document may be subject to review or appeal. Similarly, the failure of the Commission to attach a copy of this Notice to a document does not indicate the Commission's view that the document is not subject to review or appeal.